

WALL STREET JOURNAL

19 November 1985

**ARTICLE APPEARED
ON PAGE*****Reawakened Bear*****Soviet Foreign Policy
Gets More Vigorous
Under New Leadership****It Challenges U.S. Interests
In Mideast, Other Areas;
But It Remains Cautious****Much Ground to Make Up**By **FREDERICK KEMPE**

Staff Reporter of THE WALL STREET JOURNAL

Soviet Foreign Minister Eduard Shevardnadze has made pre-summit whistle stops this fall in New York, Havana, Paris, Reykjavik and Sofia, delivering policy speeches and various arms-reduction proposals along the way.

Not surprisingly, the Western press scarcely noted that between United Nations meetings in New York he found time to establish diplomatic relations with the tiny sultanate of Oman.

However, Soviet analysts say it was Moscow's most important foreign-policy accomplishment in the nine months since Soviet leader Mikhail Gorbachev took office; it brings Moscow closer to participation in the Mideast peace process and helps calm conservative Arab states' fears about Kremlin designs to destabilize them. And, continuing the new policy, the Soviet Union announced over the weekend that it has opened diplomatic relations with the United Arab Emirates.

"The foreign policy of the Soviet Union has changed a lot for the better since Gorbachev came," says an Omani official, who adds that his country is currently helping in talks between Moscow and Saudi Arabia. "They have become more flexible. They have promised us that they wouldn't help our enemies (particularly South Yemen) against us."

Wide-Ranging Moves

The two-day summit meeting starting today has captured headlines, but perhaps of longer-term significance is a revitalized Soviet foreign policy that challenges U.S. interests around the world. Recent Soviet moves range from capitalizing on Asian concerns about U.S. protectionism to exploring possibilities for reopening diplomatic relations with Israel. The Soviets boast that no longer can Washington disregard them in the Mideast or anywhere else.

"We will pursue our policies more vigorously from now on with a younger leadership," says Konstantin Gueiovandov, a political analyst at the government newspaper Izvestia.

With Mr. Gorbachev in power, adds Lev Semeyko, an arms expert at Moscow's United States and Canada Institute, "it will be more difficult for the West to resist Soviet peaceful initiatives. The Soviet Union has not had such a wise leader in foreign affairs since Lenin."

U.S. officials argue that there has been more motion than success thus far and that the Soviets are too caught up in internal economic problems to be particularly active abroad.

Much Lost Ground

Moreover, the Soviets have a lot of ground to recover. They lost their most important Third World ally, Egypt, in 1972. Eastern Europe is economically stagnant and faces succession problems due to aging leaders everywhere except Poland. Today, unlike the 1970s, guerrilla insurrections in places such as Ethiopia, Angola and Nicaragua are against Communist or leftist governments. In many other countries, the Soviet system, plagued by continuing economic problems, has lost much of its appeal, and doubts about Moscow's course will only intensify if China's economic liberalization works.

Still, Western officials see reason for concern. "We have had an easy run for the last few years of sick and dying leaders," a senior Western diplomat in Moscow says. "Now we must be more vigilant and avoid mistakes on which they could capitalize."

Moscow has intensified its diplomatic and, in some cases, military activity in many parts of the world. Shortly before the summit, Mr. Gorbachev visited Paris and promised the French more trade, and a Soviet parliamentary delegation toured China. In addition, the wife of Philippines President Ferdinand Marcos was treated like visiting royalty in Moscow, where she sang the Ave Maria in a local church while her husband was being criticized in Washington.

The Pacific Basin, where Moscow is increasing its military presence, has had its highest-ranking Soviet visitors ever. The Soviet Union recently has mounted its most intense offensive to cut supply lines to Afghanistan guerrillas and has increased arms deliveries to Nicaragua.

But the campaign is more cautious than adventurous. Third World diplomats say Mr. Gorbachev last month rebuffed Libya's request for a dual-use nuclear-power plant and a Syrian-like friendship treaty that would have committed Moscow to Tripoli's defense. In the Third World, Moscow seems to recognize economic limits to its ideologically inspired activities and picks its shots more carefully.

"There is a lot more realism about what the Soviet Union can accomplish in the world," says a Third World ambassador in Moscow. "In the competition for resources, they must ask how much they gain from another Angola, Ethiopia or Vietnam."

Here is a review of Soviet global activity.

Middle East

America's reputation as a reliable ally has been tarnished—the past seven years have brought the fall of the shah of Iran, the assassination of Egyptian President Anwar Sadat and the U.S. failure to save Lebanon—and consequently the Soviets have gained some opportunities.

"There is nothing the U.S. can do to stop the process of normalization in Gulf-Soviet relations," says Shireen T. Hunter, deputy director of the Middle East project at Georgetown University, who recently returned from the Persian Gulf. "The extent and pace of this process will depend on whether the U.S. succeeds in reestablishing its image as a reliable ally and friend" by scoring a major success in the Mideast peace process or by supporting allies, such as the Philippines, in other parts of the world.

A European diplomat in Moscow says Gulf states are cozying up to Moscow because they see better relations with the Kremlin as a way of reducing Soviet support for local radical groups. Gulf leaders also hope that the Soviets can help moderate the actions of the countries that they worry about most—Syria, Iran and Iraq.

It's "inevitable" that Moscow will open diplomatic relations with Israel "soon," an Omani official says. Establishing ties with conservative Arabs will ease the process, even though Moscow risks upsetting Syria, the Omani says.

On his plane to Moscow recently, U.S. Secretary of State George Shultz remarked that during President Reagan's United Nations reception Israeli Prime Minister Shimon Peres and Mr. Shevardnadze "stood and talked to each other for quite a little time."

Asia

State Department experts attribute Soviet policies in Asia to fear of being left out of the world's most dynamic market and to an opportunistic effort to capitalize on Asian worries over U.S. protectionism.

Thailand's press recently trumpeted a story on how the Soviet Union had bought one million men's shirts that, under American quotas, couldn't be delivered under the Arrow label to the U.S. The Soviets clearly can't replace American buyers, but the story gave Moscow valuable propaganda in a country where U.S. import limits have caused layoffs and an expected textile-industry loss of more than \$1 billion this year.

Continued

2.

"Protectionism improves the atmosphere a lot for the Soviets," a State Department official says. "We have to be careful that we don't create a crisis of the magnitude that can be exploited. So far, we aren't there yet."

The Soviet Union hasn't significantly penetrated the robust Asian market, and its allies in Vietnam, North Korea and Afghanistan all suffer from economic stagnation or decline. Hence, Mr. Gorbachev is concentrating on improving relations with countries that he hopes can help his ambitious economic-development plans.

He dispatched Deputy Premier Yacov Ryabov to Malaysia to offer help with tin mining and to Indonesia with contracts for hospital building. Mr. Shevardnadze will visit Japan early next year, the first Soviet foreign minister to do so in about a decade; Moscow hopes to revive Tokyo's interest in developing Sakhalin Island's oil and gas fields.

But the Soviets have far to go. Even India, which buys Soviet arms and has many cultural and scientific agreements with Moscow, reacted coolly to a Gorbachev suggestion during Rajiv Gandhi's recent visit to the Kremlin that the region hold a conference to ratify existing security arrangements and borders.

Despite extensive Soviet wooing, China still conditions improved relations with Moscow on Soviet withdrawal from Afghanistan, Vietnamese withdrawal from Kampuchea and a rollback of the Soviet military buildup along the Chinese border. However, China again is calling the Soviets "socialist," trade has been increasing, and the two sides are holding "consultations" on normalization.

Afghanistan

Soviet military involvement in Afghanistan has escalated noticeably since Mr. Gorbachev came to power. The primary aim has been to cut guerrilla supply lines. Mr. Gorbachev wants to end the war without losing face.

The effort also includes increased threats issued directly from Mr. Gorbachev to Pakistan President Mohammad Zia ul-Haq. Mr. Gorbachev said the Kremlin was considering unspecified actions against Pakistan if it continues to support guerrillas or if President Reagan continues his military pressure on Nicaragua.

"We believe that Pakistan is ready to make an agreement on the subject of Afghanistan," Izvestia's Mr. Gueiovandov says. "It is the U.S. that doesn't want a cure."

Eastern Europe

Sovietologists see Romania as a litmus test of how far Mr. Gorbachev will go in his declared intention of drawing Moscow's socialist allies together. Nicolai Ceausescu, the autocratic ruler of Romania who has created a family dynasty, is said to be ill,

and observers believe that Moscow will oppose his plans to pass power to his wife or son.

Mr. Ceausescu has become an embarrassment to Moscow. His limping economy and his decision to use military commanders to run his biggest power plants impede Mr. Gorbachev's hopes that his allies will help reinvigorate the Soviet economy.

"Ceausescu's death will open up some opportunities, and the Soviets aren't about to play slow-pitch ball in their own back yard," a State Department analyst says. "When he pulls out, it will create the same sort of vacuum as Stalin's death in Moscow."

The question is whether the Soviets will ensure that his successor is someone who might tone down Romania's foreign-policy independence and bring Romanian troops back into Warsaw Pact maneuvers.

Western Europe

Moscow is pursuing its usual goal of feeding West German neutralist tendencies with a little more imagination. It has allowed the East German Communist Party to propose, along with the West German opposition Social Democrats, a chemical-free zone in Europe, a move that has angered the West German government.

"This has never happened before, that a political party would work together with an Eastern government against its own government," a West German national-security official says. "We think that is right on the edge of unconstitutionality." The government fears, he says, that Moscow is trying to convince West Germans that only the Social Democrats, and not Chancellor Helmut Kohl's ruling coalition, are capable of "conducting Ostpolitik."

Latin America

White House spokesman Larry Speakes said recently that the Soviet arms deliveries to Nicaragua in recent weeks showed a "serious increase." However, experts believe that the stepped-up shipments—which appear to include trucks and T-54 tanks—were more a response to pressure from Cuba and Nicaragua than enthusiastic policy.

A serious strain is said to have developed in Soviet-Cuban relations over what President Fidel Castro saw as Moscow's weak response to U.S. pressures on Nicaragua. The result, apparently, was Mr. Castro's refusal to attend Soviet leader Konstantin Chernenko's funeral.

"Aside from relations with Cuba, the Soviet Union generally regards Latin America as a peripheral area to its interests," says Peter Bell of the Brookings Institution. "They aren't prepared to bankroll the Sandinistas the way they have

bankrolled the Cubans, but it is tempting for the Soviets to feed in enough aid to mire us down in our own back yard."

Nevertheless, Soviet activities go beyond Nicaragua. The U.S.S.R. operates electronic-intelligence facilities aimed at the U.S. from Cuba, purchases \$1 billion of grain annually from Argentina, supplies military hardware to Peru and provides more official scholarships to Latin America than does the U.S.

Africa

The African National Congress, the Marxist-dominated South African guerrilla group, has Soviet ties and sends delegates to Communist Party congresses, but most experts believe that the Soviets are taking a low-key approach to the South African crisis.

"They don't have to do anything," says Adam B. Ulam, the director of the Harvard University Russian Research Center. "They can just wait."